



Electricity Industry Participation Code Reconciliation Participant Audit Report

For

Smart Net Limited (SMRT)

Prepared by Rebecca Elliot – Veritek Ltd

Date of Audit: 17/07/17

Date Audit Report Complete: 24/07/17

Date Audit Report Due: 24/07/17

Executive Summary

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of **Smart Net Limited- (SMRT)**, to support application for renewal of certification in accordance with clauses 5 and 7 of Schedule 15.1.

SMRT is an embedded network operator, and is therefore required to be a certified reconciliation participant in accordance with clause 15.38 of part 15. In this report I have only recorded those matters where issues were discovered, or where specific analysis was undertaken.

SMRT's compliance is reliant on the compliance of Meridian Energy Limited (MERI) and subsequently EMS, as agents. Although MERI is the primary agent to SMRT, EMS conducts all of the relevant activities. The EMS audit report records compliance in relation to the activities performed on behalf of SMRT. Compliance is confirmed and therefore I recommend that the next audit be due in July 2020.

Table of Non-Compliance

Subject	Section	Clause	Non compliance	Indicative Impact	Audit History	Procedures	Remedial Action
			Nil				

Table of Recommendations

Subject	Section	Clause	Recommendation for improvement	Remedial Action
			Nil	

Persons Involved in This Audit

Auditor:

Rebecca Elliot
Veritek Limited
(Electricity Authority Approved Auditor)

SMRT personnel assisting in this audit were.

Name	Title	Company
Nick Oldham	General Manager	Smart Power Limited T/A Energy Select

Contents

Executive Summary	2
Table of Non-Compliance	2
Table of Recommendations	2
Persons Involved in This Audit	3
Contents	4
1. Administrative	5
1.1 Summary of Previous Audit	5
1.2 Scope of Audit	5
1.3 Exemptions From Obligations to Comply With Code (Section 11 of Electricity Industry Act 2010)	5
1.4 Use of Agents (Clause 15.34 of Part 15)	5
1.5 Breaches or Breach Allegations	5
1.6 NSP Data	6
1.7 Authorisation Received	6
2. Operational Infrastructure	7
2.1 Relevant information (Clause 10.6, 11.2, 15.2)	7
2.2 Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))	7
2.3 Arrangements for metering equipment provision (Clause 10.36)	8
3. Conclusions	9
Table of Non-Compliance	9
Table of Recommendations	9
4. SMRT Response	11
Appendices – Agents Audit Reports	12
• EMS	12

1. Administrative

1.1 Summary of Previous Audit

SMRT provided a copy of the audit report from their previous audit, conducted in 2016 by Rebecca Elliot of Veritek Limited. This report recorded compliance with the code.

1.2 Scope of Audit

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of SMRT, to support their application for initial certification in accordance with clause 5 of schedule 15.1.

The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits version 7.1.

SMRT is an embedded network operator, and is therefore required to be a certified reconciliation participant in accordance with clause 15.38 of part 15.

The scope of the audit is shown in the table below:

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks
(b) Gathering and storing raw meter data	MERI and EMS
(c)(i) Creation and management of HHR volume information	
(e) Provision of submission information for reconciliation.	

The audit report for EMS is attached as an appendix. This audit was conducted prior to June 1st, 2017 and was carried out under audit guideline version 6.2. Compliance was recorded.

1.3 Exemptions From Obligations to Comply With Code (Section 11 of Electricity Industry Act 2010)

SMRT confirms that there are no exemptions in place, which are relevant to the scope of this audit.

1.4 Use of Agents (Clause 15.34 of Part 15)

EMS performs all of SMRT's responsibilities.

1.5 Breaches or Breach Allegations

SMRT has had no breaches recorded during the audit period relevant to this audit .

1.6 NSP Data

SMRT has responsibility for eight embedded networks. The table below lists the relevant NSPs and the associated information:

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network Type	Start Date	MEP
BJL0011	129 BEACHLANDS RD AUCKLAND	TAK0331	VECT	BJL0011SMRTE	E	11-07-16	AMCI
FTS0011	141 MANNERS ST WELLINGTON	CPK0111	CKHK	FTS0011SMRTE	E	01-10-16	AMCI
HCN0011	124 HOBSONVILLE ROAD	HEN0331	UNET	HCN0011SMRTE	E	01-08-15	AMCI
MHL0011	MUSEUM HOTEL	CPK0331	CKHK	MHL0011SMRTE	E	01-12-15	AMCI
NFC0011	95 CUSTOMHOUSE QUAY WELLINGTON	WIL0331	CKHK	NFC0011SMRTE	E	01-02-16	AMCI
OPS0011	259 MANGERE STATION AUCKLAND	MNG1101	VECT	OPS0011SMRTE	E	01-10-16	AMCI
ORA0011	105 ORAHA ROAD KUMEU	HEN0331	UNET	ORA0011SMRTE	E	01-04-17	
TFQ0011	100 TAUPO QUAY WANGANUI	WGN0331	POCO	TFQ0011SMRTE	E	01-07-17	

1.7 Authorisation Received

SMRT provided a letter of authorisation to Veritek, permitting the collection of data from other parties for matters directly related to the audit.

2. Operational Infrastructure

2.1 Relevant information (Clause 10.6, 11.2, 15.2)

A participant must take all practicable steps to ensure that information that the participant is required to provide to any person under Part 15 is:

- (a) complete and accurate*
- (b) not misleading or deceptive*
- (c) not likely to mislead or deceive.*

If the participant becomes aware that in providing information under this Part, the participant has not complied with that obligation, the participant must, as soon as practicable, provide such further information as is necessary to ensure that the participant does comply.

Audit Observation

The process to find and correct incorrect information was discussed.

Audit Commentary

I did not identify any incorrect or misleading information. Compliance is recorded in the EMS report in relation to this clause. SMRT advises that these matters are handled as and if they arise. Compliance is confirmed.

2.2 Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))

The responsible reconciliation participant must, if requested, arrange access for the metering installation to the following parties:

- the Authority*
- an ATH*
- an auditor*
- an MEP*
- a gaining metering equipment provider.*

Audit Observation

I discussed SMRT's policy in relation to allowing access to metering and if any requests had been received during the audit period.

Audit Commentary

Arrangements for access to metering are arranged as necessary. No requests for access to metering installations have been received during the audit period.

2.3 Arrangements for metering equipment provision (Clause 10.36)

A reconciliation participant must ensure it has an arrangement with the relevant MEP prior to accepting responsibility for an installation.

Audit Observation

The NSP supply point table as at July 2017 was examined. The specific details are recorded in **Section 1.6 "NSP Data"**.

Audit Commentary

All networks have an MEP recorded with the exception of ORA0011 and TFQ0011. ORA0011 has not been energised and has no metering installed as yet. Zeros are being submitted for this network. TFQ0011 was an existing customer network that has been converted to an embedded network. Evidence was provided confirming that AMCI is the MEP. The updating of the network supply point table is a Distributor responsibility and this will be discussed in the SMRT Distributor audit report. Compliance is confirmed.

3. Conclusions

SMRT's compliance is reliant on the compliance of Meridian Energy Limited (MERI) and subsequently EMS, as agents. Although MERI is the primary agent to SMRT, EMS conducts all of the relevant activities. The EMS audit report records compliance in relation to the activities performed on behalf of SMRT. Compliance is confirmed and therefore I recommend that the next audit be due in July 2020.

Table of Non-Compliance

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Table of Recommendations

Subject	Section	Clause	Recommendation for improvement	Remedial Action
			Nil	

Signed by:



Rebecca Elliot

Veritek Limited

Electricity Authority Approved Auditor

Signed by:



Nick Oldham

On behalf of

Smart Net Limited

4. SMRT Response

SMRT have reviewed this report. No further comments were provided.

Appendices – Agents Audit Reports

- EMS